Annual Report

conexus arts centre

2015-2016

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LETTER OF TRANSMITTAL

The Honourable Vaughn Solomon Schofield
Lieutenant Governor of Saskatchewan

Your Honour:

It is my privilege to submit the Annual Report of the Conexus Arts Centre for the period April 1, 2015 to March 31, 2016.

Respectfully submitted,

Mark Docherty
Minister of Parks, Culture and Sport
Minister Responsible for the Provincial Capital Commission

CHAIR'S REPORT

Honourable Mark Docherty
Minister Responsible for the
Provincial Capital Commission

Minister:

In accordance with Section 27(1) of The Saskatchewan Centre of the Arts Acts, 2000, I hereby submit the forty-sixth Annual Report on the activities of the Centre for the period April 1, 2015 to March 31, 2016.

Over the past fiscal year, the Conexus Arts Centre has begun to chart a new course for its future. With the appointment of Mr. Neil Donnelly as Chief Executive Officer in May, followed by establishment of a new Board of Directors, the Centre is embarking on a potentially historic transformation over the next several years. We are focused on ensuring the Conexus Arts Centre grows and prospers as an artistic and educational community for southern Saskatchewan. We also believe there is considerable opportunity for the Centre to be innovative and creative, and to expand its lines of business for positive results. We remain committed to ensuring guests and users continue to enjoy the top-quality experiences they have come to expect at the Centre. Together with Centre Management, the Board of Directors focused early work effort on strategic planning sessions, governance, financial health, and plans for building revitalization to ensure that we have a solid foundation upon which to build.

Looking to the future, attention will turn to exploring new opportunities for the Centre that will secure its future as a vibrant and sustainable asset in Regina and southern Saskatchewan. I am confident that we have the tools and the vision to make exciting things happen, and I look forward to the years ahead.

Sincerely,

Jim Hopson
Chair, Board of Directors
Conexus Arts Centre

BOARD OF DIRECTORS

THE HONOURABLE
MARK DOCHERTY
–MINISTER RESPONSIBLE

CURRENT BOARD OF DIRECTORS

JIM HOPSON–CHAIR
NANCY CHERNEY–VICE CHAIR
ROGER BRANDVOLD
REG HOWARD
TWYLA MACDOUGALL
TWYLA MEREDITH
RICHARD MURRAY
DAVE PETTIGREW
MARY TAYLOR ASH

Committees of the Board of Directors:

Audit and Finance Committee

Twyla MacDougall–Chair
Twyla Meredith
Richard Murray
Mary Taylor Ash

Governance Committee

Roger Brandvold–Chair
Nancy Cherney
Reg Howard
Dave Pettigrew

Jim Hopson– Board Chair and ex-officio on both committees

CHIEF EXECUTIVE OFFICER

It has been a year of renewal at the Conexus Arts Centre. Government appointed a new Board of Directors under the leadership of Chairperson, Jim Hopson. I wish to welcome them to our team and thank them all for agreeing to serve this truly remarkable organization and for the leadership they have already shown.

A new mission, vision and strategic goals have been established to lead us in the immediate future. With a focus on customer service and creating memorable experiences, our team will commit its time and energy to ensure those hosting events or attending events have an experience that will truly be memorable.

The Centre is nearly 47 years old. Although some renovations have occurred in the past, it is now time to start thinking of renewal of our facilities. As one of the premiere cultural and conference facilities in the province the Centre has served southern Saskatchewan very well, however as the stewards of the venue it is our responsibility to ensure it is preserved for future generations. We look forward to working with our stakeholders to develop a long term plan that will help us realize this goal.

We are excited about the new challenges and opportunities which we are undertaking in the next fiscal year and look forward to providing world-class entertainment and excellence in convention/catering services to the people of Southern Saskatchewan.

Finally, and most importantly, I want to acknowledge the hard work of all our managers and staff. I continue to be encouraged by the positive comments I receive from guests and clients about our hospitality and customer service levels. It is clear they love what they do and I am proud to work alongside each of them.

Respectfully submitted,

Neil Donnelly
Chief Executive Officer

PATRONS

Conexus Credit Union
Molson Canada
Sasktel
Pepsi Bottling Group (Canada) Co.
Jacqueline Shumiatcher and the late Dr. Morris Shumiatcher
Big Dog 92.7
Audio Warehouse
Success Office Systems
Treasury Wine Estates
A-1 Rent-Alls
S.G.I
Saskatchewan Blue Cross
Captive Audience Advertising
Prairie Dog Magazine
Corby Distilleries Ltd.
Coffee Times
CJTR
Storm Applied Technologies

MANAGEMENT

"THIS INDUSTRY IS OUR PASSION!"

Neil Donnelly–Chief Executive Officer

Pat Beanland–Finance & Administration Manager
Brent Elsner–Sous Chef
Leo Pantel–Executive Chef
Bim Pandya–Director of Sales
Colette Perras–Hospitality Services Manager
Lynn Severt–Client Services Manager
Shari Tourscher–Theatre Services Manager

MISSION AND GOALS

MISSION

To consistently deliver memorable guest experiences by facilitating and providing convention, catering and entertainment activities that build loyalty and growth for the Centre.

VISION STATEMENT

To be a self sustaining facility in the community showcasing local, national and international entertainment, convention and catering events that delivers outstanding guest experiences.

GOALS

Guests First. Deliver memorable and outstanding guest experiences.

Loyal, knowledgeable and professional team who consistently delivers memorable and outstanding experiences to guests.

To identify and utilize industry best practices to accomplish the strategic plan and establish a sustainable foundation for the future.

To be sustainable, cover operational costs and contribute to the facility maintenance and program capital.

To expand and develop community and corporate relationships.

To promote the Centre through direct sales and marketing activities.

WHO WE ARE

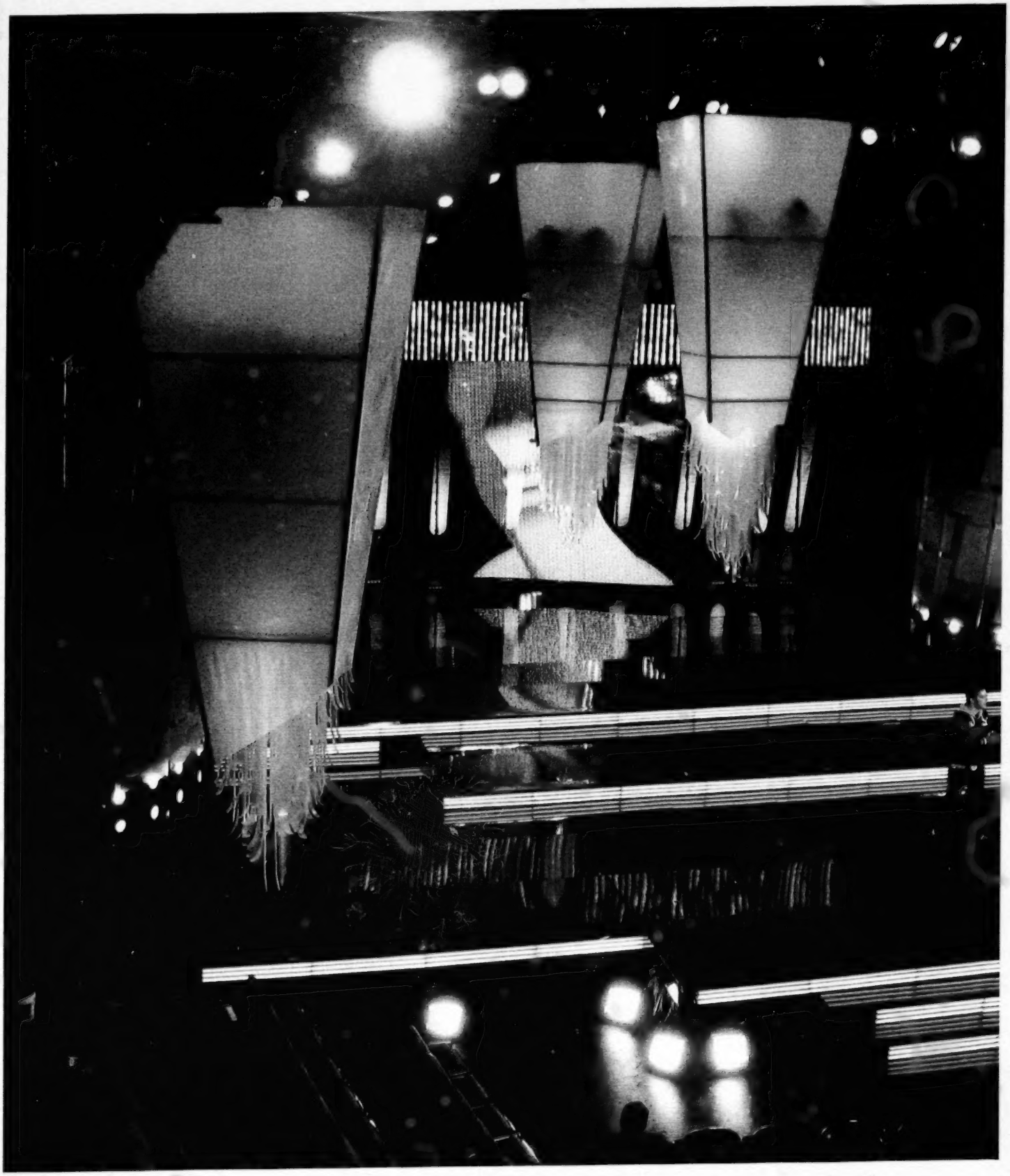
The Conexus Arts Centre is an Agent of the Crown responsible for providing facilities for entertainment, exhibition and the promotion and presentation of sporting, artistic, educational and cultural activities of a local, provincial, national or international nature. In addition the Centre is to provide catering and convention services. The Conexus Arts Centre achieves this through fair and cost-effective marketing..... delivered by employees experienced in many aspects of the hospitality industry.

As of March 31, 2016, the Conexus Arts Centre employed approximately 298 staff, with 23 being full-time. Approximately 191 employees are members of the Retail, Wholesale, Department Store Union (RWDSU) and 86 employees are members of the International Association of Theatrical and Stage Employees (IATSE) local 295.

The Conexus Arts Centre operates under The Saskatchewan Centre of the Arts Act, 2000, and works in partnership with a broad range of stakeholders and clients, including: RWDSU, IATSE, Tourism Regina, Government Services, Tourism Saskatchewan and the Saskatchewan Liquor and Gaming Authority (Please see Appendix B for an overview of the Centre's stakeholders and partners).

The Conexus Arts Centre is divided into three primary departments:

- Theatre Department: The Theatre department is responsible for the booking, marketing and delivery of arts and entertainment performances hosted at the Conexus Arts Centre. This department is also responsible for the Box Office services of the Centre, and its outlets.
- Convention/Catering Department: The convention & catering department, is responsible for booking, marketing and delivery of conventions, meetings, banquets, tradeshows and special events hosted at the Conexus Arts Centre. This department is also responsible for the public relations and community information. The department is also responsible for the maintenance and day-to-day operation of the building.
- The Corporate Services and Human Relations Department: This department provides financial, administrative, procurement, information systems and audit support services to the organization. This department also provides organizational development, communications and human resource services to the Conexus Arts Centre.



EVENT OVERVIEW

The Conexus Arts Centre provides facilities to a diverse group of clients ranging from local organizations and individuals to provincial, national and international clients.

The Conexus Arts Centre ensures that customer needs are met by offering wide and versatile convention and catering opportunities as well as providing flexible theatre services. The convention and catering department continues to place a greater emphasis on providing custom services and individualized menu options for clients.

Convention/catering hosted 561 events with attendance of 126,561 clients.

CATEGORY	# OF EVENTS	ATTENDANCE
Meetings	215	18,132
Seminars/Conferences	9	6,885
Breakfast/Luncheons	62	5,695
Receptions	53	9,605
Banquets/Dinners	134	30,392
Trade shows	57	46,602
Wedding/Anniversary/ Funerals	33	4,866
Other	29	4,384

Theatre:
Featured 105 performances in 2015-16 with attendance of 121,109 patrons.

CATEGORY	# OF EVENTS	ATTENDANCE
Children's	5	6,639
Regina Symphony Orchestra	12	15,079
Rock	11	15,243
Graduations	14	27,140
Ballet/Dance	27	24,312
Musicals	14	7,269
Comedy	5	5,671
Country	7	9,241
Other	10	10,515

The Conexus Arts Centre is proud to have hosted such a wide and versatile array of events and performances in 2015/16.

The Year in Review

The Theatre once again played host to a wide variety of events in 2015-16.

APRIL 2015

Do It with Class–Peter Pan
3 shows

Gerry Dee

Candance Competition–4 shows

Royal Winnipeg Ballet–The Faerie Queen

Regina Catholic Schools–Alumni Concert

MAY 2015

Regina Symphony Orchestra
One Vision–The Music of Queen

Regina Symphony Orchestra– Carmina Burana

O'Neill High School Choir
2 Shows

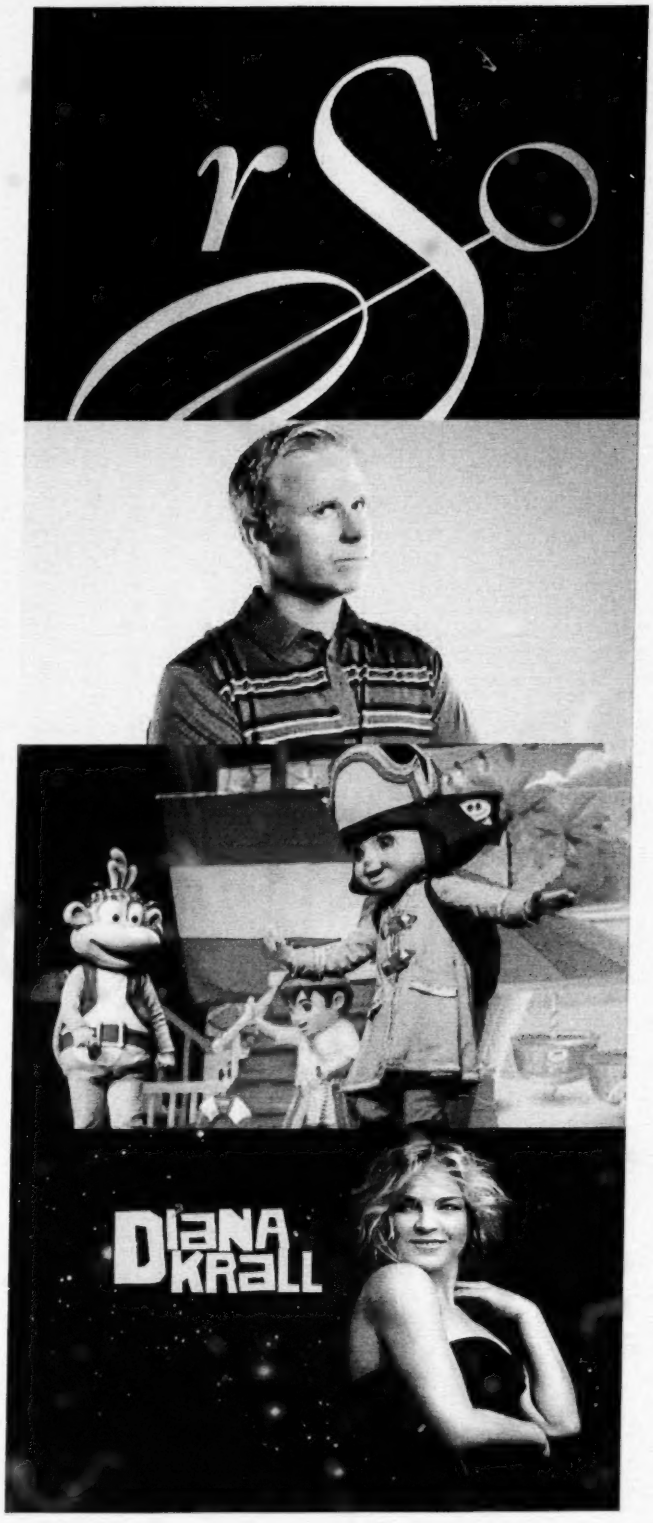
Diana Krall

Dora

Youth Ballet of Saskatchewan–2 shows

Dance Dimensions–2 shows

Dance Plus–2 shows



The Year in Review

JUNE 2015

Dance City—2 Shows

Saskatchewan Express

Danskapades 2015—Martin School of Dance
2 Shows

JULY 2015

John Mellencamp—2 Shows

Erik Santos & Angeline Qiinto
Greatest Love Songs

AUGUST 2015

Sons of the Pioneers

Brit Floyd

SEPTEMBER 2015

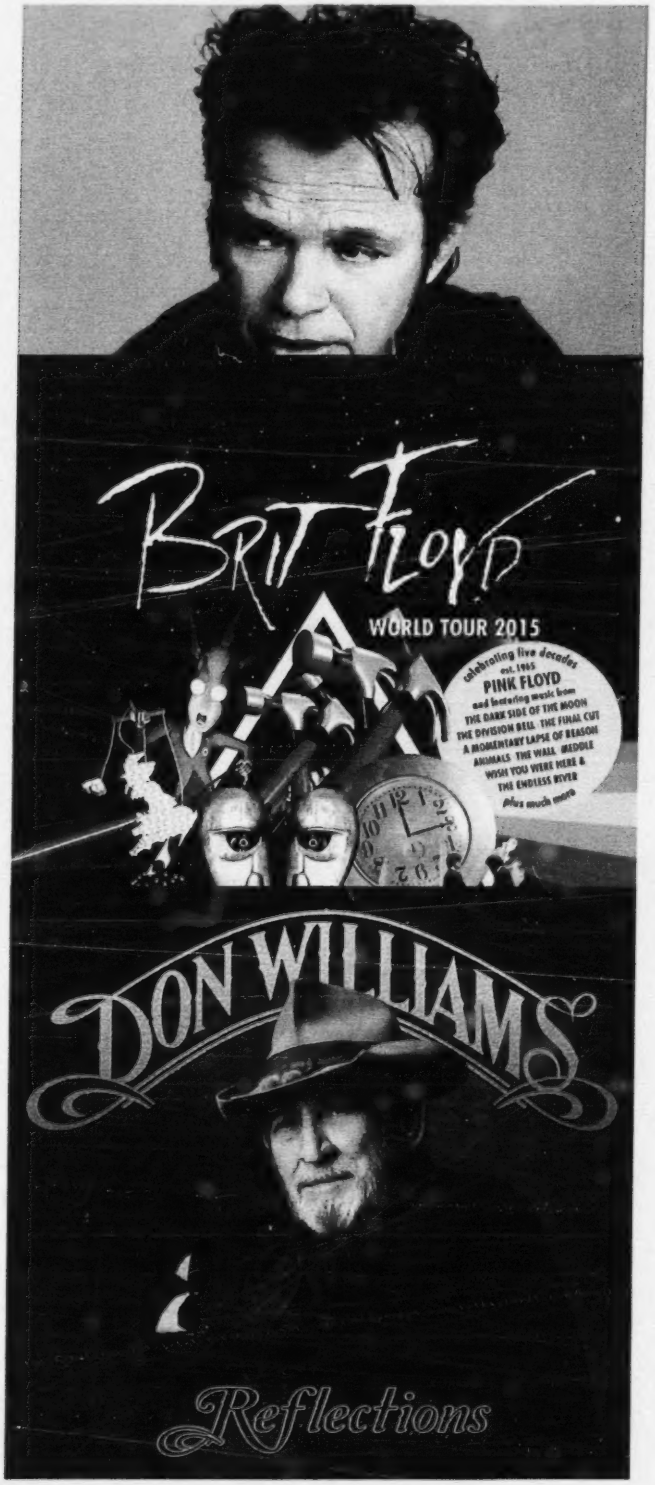
Regina Symphony Orchestra
Simon Plays Mozart

Bubble Guppies—2 Shows

The Investors Group—Comedy Night

Don Williams

Girls Night—The Musical



The Year in Review

OCTOBER 2015

Regina International Film Festival

Riverdance -3 Shows

Regina Symphony Orchestra
Quartetto Gelato

The Wiggles

Regina Symphony Orchestra
Miles plays Haydn

Sterling Productions
Rocky Horror Show
3 Shows

Bo Burnham

Dreams–A Classic Rock Fantasy

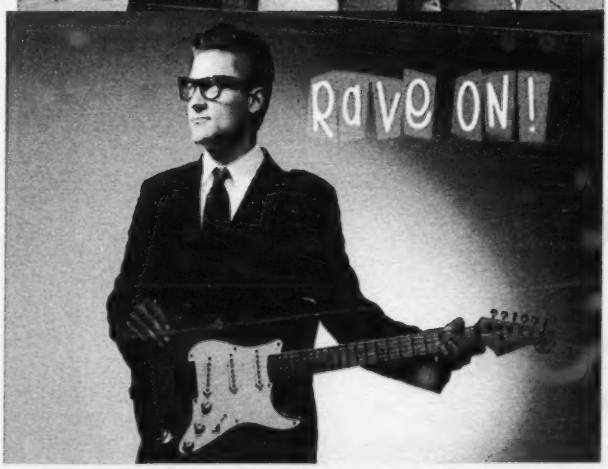
NOVEMBER 2015

Just for Laughs Comedy Tour

Regina Symphony Orchestra
Back to Back: The Music of
Elton John and Billy Joel

Moscow Ballet–Great Russian Nutcracker

Rave On



Alvin and the Chipmunks

Regina Symphony Orchestra
Romantic Piano

The Year in Review

DECEMBER 2015

Mel Tillis

Catholic Schools Christmas Concert

Class Act's Nutcracker Ballet–4 Shows

JANUARY 2016

So you think you can Dance

Blue Rodeo

Regina Symphony Orchestra
The Splendor of Tchaikovsky

The Great Big Show

FEBRUARY 2016

Johnny Reid– 3 Shows

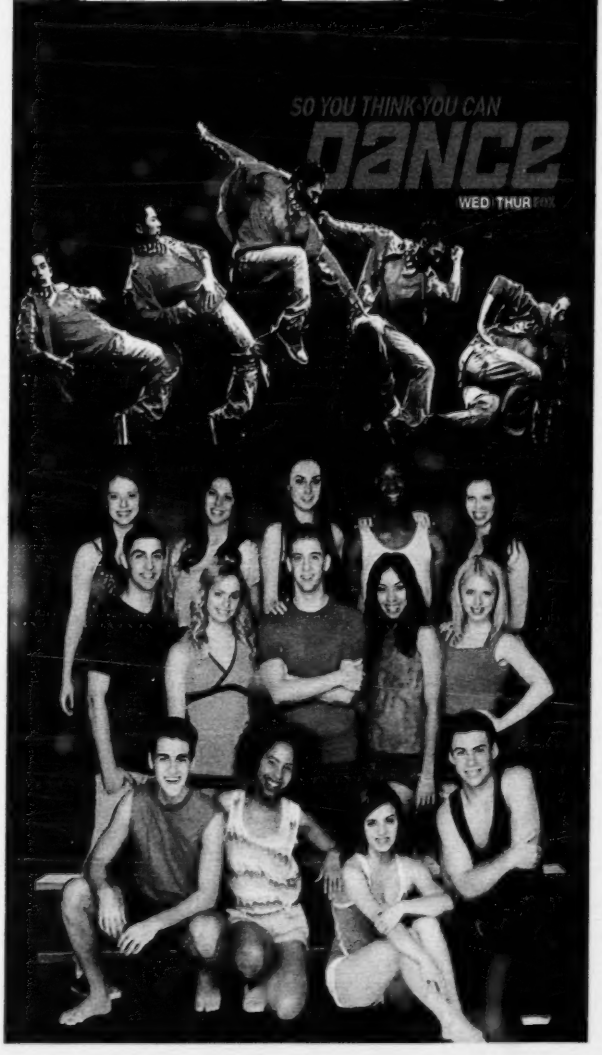
Regina Symphony Orchestra
Rachmaninoff Piano
Concerto No. 3

Flashdance The Musical–2 Shows

The Next Step Dancers

Regina Symphony Orchestra
Lights, Camera....The Oscars!

Jeremy Hotz



The Year in Review

MARCH 2016

Kinsmen Telemiracle

Great Russian Ballet–Giselle

Ed Kowalczyk

Regina Symphony Orchestra
Marie-Noelle goes Irish

Optimist Band Festival

Royal Winnipeg Ballet
Going Home Star

Sean Paul

Rodney Carrington

Dancing in the Street

Metric and Death Cab for Cutie

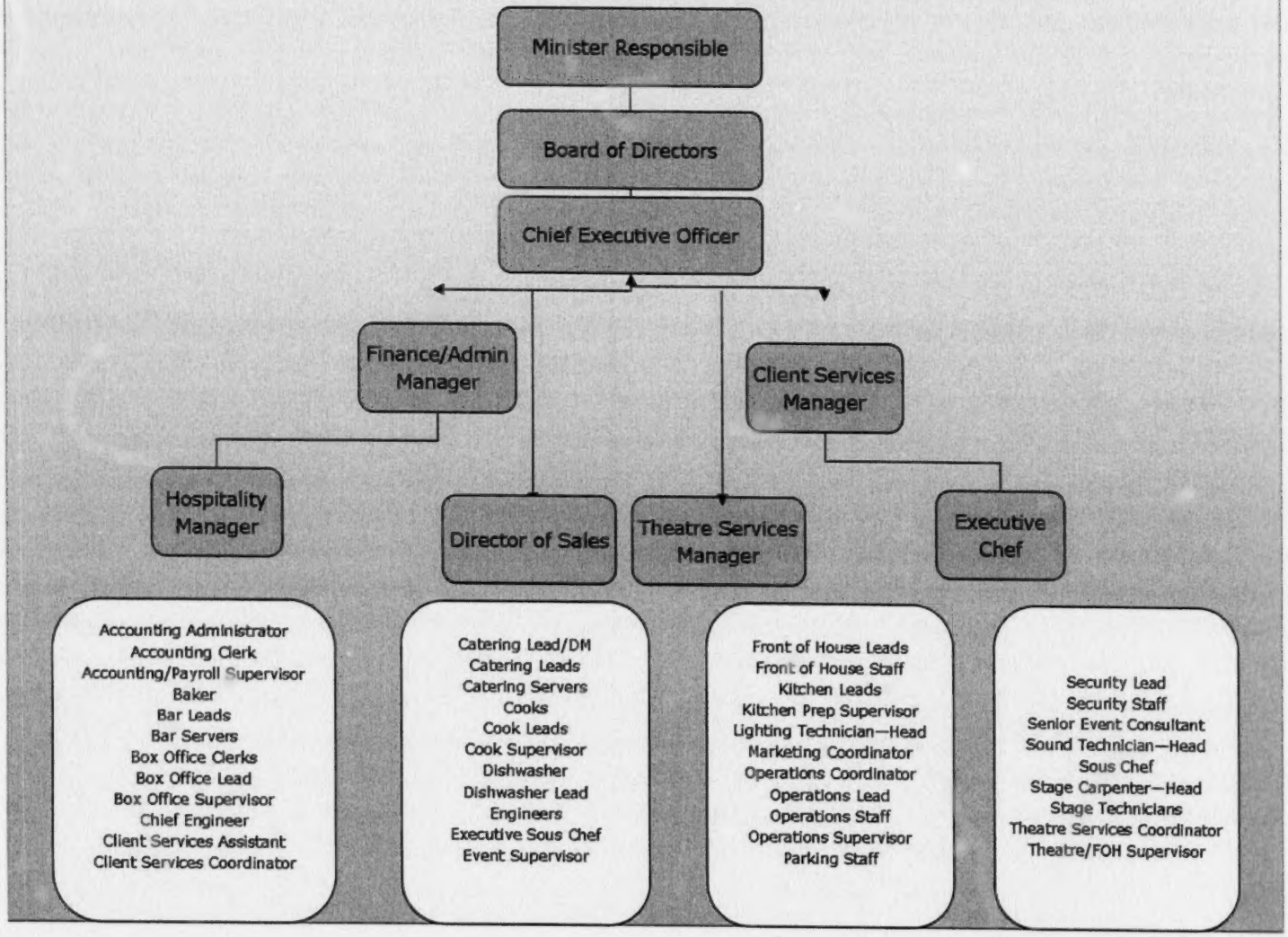
MANAGING RISK

Risk Management is key to protecting business interests and future viability. The Conexus Arts Centre is exposed to many different risks in its dual role as a self-financing theatre and convention, catering business and as an agency of Government supporting and promoting arts and culture in Saskatchewan.

The primary concern of the Board of Directors and senior management is strategic risk. Failure to properly execute strategy to meet the needs of our clients and the mandate set by the government can dramatically impact the corporation's business. Without an appropriate overall business strategy, the Centre's other interests could be compromised as well.

Therefore, the Centre has identified major risks and potential barriers to success and developed strategies to ensure that these risks and barriers can be addressed by timely identification, assessment and prioritization of risks. We continue to review the management practices at The Conexus Arts Centre and to identify gaps in current risk management practices.

Appendix A
Conexus Arts Centre Organizational Structure



APPENDIX B

Summary of The Conexus Arts Centre's Partners and Stakeholders

Non-Profit Clubs and Organizations:

This group consists of ethnic associations, service clubs, sporting clubs, dance schools and others.

International Association of Theatrical And Stage Employees (IATSE):

All theatrical aspects of the Centre are done through members of this union.

Retail Wholesale and Department Store Union (RWDSU):

The majority of our service employees at the Conexus Arts Centre are members of this union.

Ministry of Central Services:

The Ministry of Central Services is the owner and a key stakeholder of The Conexus Arts Centre.

Conexus Credit Union:

As our major sponsor Conexus Credit Union and The Conexus Arts Centre are dedicated to working together to facilitate programming to promote arts and culture in Regina.

Canadian Restaurant and Foodservices Association (CRFA) (Sk. Division):

The CRFA has approximately 600 members in Saskatchewan.

Tourism Saskatchewan:

Tourism Saskatchewan promotes tourism throughout Saskatchewan.

Saskatchewan Tourism Education Council:

Saskatchewan Tourism Education Council (STEC) provides training and certification for the tourism and hospitality industry.

Regina Regional Opportunities Council:

RROC promotes tourism and conferences in Regina.

Canadian Federation of Chefs and Cooks:

National organization governing Chefs and Cooks.

Society of Composers, Authors and Music Publishers of Canada:

Society of Composers, Authors and Music Publishers of Canada (SOCAN) ensures copyright laws are adhered to.

MANAGEMENT REPORT
MARCH 2016

The management of the Conexus Arts Centre is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with Canadian Public Sector Accounting standards.

The accounting systems used by the Conexus Arts Centre include an appropriate system of internal controls to provide reasonable assurance that:

- Transactions are authorized.
- The Conexus Arts Centre's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information.
- The accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.
- The Conexus Arts Centre has complied with authorities.
- And that the Conexus Arts Centre operate in a fiscally responsible manner.

Management is responsible for providing reasonable assurance to the Board that the Conexus Arts Centre's financial information satisfies standards of validity and reliability. The Board reviews financial information prepared by management and discusses relevant matters with management. The Board of Director exercises this responsibility through the Audit Committee, which is composed of Directors who are not employees of the corporation. The Audit Committee meets with management on a regular basis.

The Provincial Auditor of Saskatchewan has audited the Conexus Arts Centre's financial statements in accordance with Canadian generally accepted auditing standards. A copy of the Provincial Auditor's opinions on the financial statements is enclosed.

The financial statements have been examined and approved by the Board.

Pat Beanland

Pat Beanland
Manager, Finance and Administration
June 2016

SASKATCHEWAN CENTRE OF THE ARTS

FINANCIAL STATEMENTS

For the Year Ended March 31, 2016

PROVINCIAL AUDITOR
of Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Saskatchewan Centre of the Arts, which comprise the statement of financial position as at March 31, 2016, and the statement of operations and accumulated surplus, statement of changes in net financial assets, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Saskatchewan Centre of the Arts as at March 31, 2016, and the result of its operations and accumulated surplus, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Judy Ferguson

Regina, Saskatchewan
June 30, 2016

Judy Ferguson, FCPA, FCA
Provincial Auditor

1500 Chateau Tower - 1920 Broad Street Regina, Saskatchewan S4P 3V2
t 306.787.6398 f 306.787.6383 e info@auditor.sk.ca
) www.auditor.sk.ca

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF FINANCIAL POSITION
As at March 31

	2016	2015
FINANCIAL ASSETS		
Current:		
Cash and cash equivalents	$ 1,164,202	$ 1,404,149
Accounts receivable	317,991	221,392
Inventories held for resale	62,894	47,077
	1,545,087	1,672,618
LIABILITIES		
Current		
Accounts payable and accrued charges	648,004	528,816
Advance sales and deposits	625,100	682,481
	1,273,104	1,211,297
NET FINANCIAL ASSETS (Statement 3)	271,983	461,321
NON FINANCIAL ASSETS (Note 2)		
Tangible Capital Assets (Note 4)	645,822	687,215
Inventories held for consumption	55,720	50,263
	701,542	737,478
ACCUMULATED SURPLUS (Statement 2)	$ 973,525	$ 1,198,799

Twyla MacDougall-Chair Audit Committee

Jim Hopson-Chair Board

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
For the Year Ended March 31

		Budget 2016 (Note 6)	Actual 2016	Actual 2015
REVENUES:				
	Catering	$ 1,976,153	$ 1,674,046	$ 1,729,507
	Theatre	1,662,500	1,692,161	1,073,911
	Rentals	590,000	574,329	790,654
	Bar/Concessions	777,500	815,748	680,909
	Other (Schedule 1)	175,000	183,480	198,940
		5,181,153	4,939,764	4,473,921
EXPENSES:	(Schedule 2)			
	Catering	2,074,256	1,982,169	1,957,539
	Theatre	1,888,591	1,991,318	1,912,658
	Rentals	502,962	530,222	536,926
	Bar/Concessions	580,927	616,420	626,506
	Other	46,945	44,909	55,119
		5,093,681	5,165,038	5,088,748
Surplus (Deficit) for the Year		87,472	(225,274)	(614,827)
Accumulated surplus - beginning of year			1,198,799	1,813,626
Accumulated surplus - end of year - to Statement 1			$ 973,525	$ 1,198,799

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended March 31

	Budget 2016	March 2016	March 2015
Surplus (Deficit) for the period	$ 87,472	$ (225,274)	$ (614,827)
Amortization of property, plant and equipment	200,000	198,815	161,767
Acquisition of property, plant and equipment	(240,000)	(157,422)	(130,191)
	(40,000)	41,393	31,576
Changes in inventories held for consumption	-	(5,457)	(6,317)
Increase (Decrease) in net financial assets	47,472	(189,338)	(589,568)
Net financial assets, beginning of the year	461,321	461,321	1,050,889
Net financial assets, end of the year (Statement 1)	$ 508,793	$ 271,983	$ 461,321

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF CASH FLOWS
For the year ending March 31

	March 2016	March 2015
Cash flows (used in) operating activities:		
Cash receipts from customers	$ 4,720,773	$ 4,788,260
Cash paid to suppliers and employees	(4,868,309)	(5,243,483)
Interest Income	9,678	31,227
Donations	55,333	56,333
Cash flows (used in) operating activities	(82,525)	(367,663)
Cash flows (used in) investing activities		
Purchase of capital assets	(157,422)	(130,191)
Net (decrease) in cash	(239,947)	(497,854)
Cash & cash equivalents, beginning of period	1,404,149	1,902,003
Cash & cash equivalents, end of period (Statement 1)	$ 1,164,202	$ 1,404,149

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

1. **Status of Centre**

The Board of the Saskatchewan Centre of the Arts is continued under *The Saskatchewan Centre of the Arts Act, 2000,* to maintain, operate and manage the Saskatchewan Centre of the Arts in Regina. The Act also continued the Saskatchewan Centre of the Arts Fund through which all financial transactions are conducted which relate to accomplishing the purposes of the Act.

Effective January 1, 2006 Conexus Credit Union made a donation to the Saskatchewan Centre of the Arts in return for the naming rights of the building. The Saskatchewan Centre of the Arts building is now commonly called the Conexus Arts Centre.

The ongoing operations of the Saskatchewan Centre of the Arts are dependent on support from the Government of Saskatchewan.

2. **Significant Accounting Policies**

These financial statements are prepared in accordance with Canadian public sector accounting standards. These statements do not present a Statement of Remeasurement Gains and Losses as The Conexus Arts Centre has no remeasurement gains or losses.

The following accounting policies are considered to be significant:

a) Revenue recognition

Theatre revenue is recognized at the date of the performance and is recorded net of payments to promoters. Convention/Catering revenue is recognized at the date of the event.

b) Tangible capital assets

Tangible capital assets are recorded at cost. Amortization is provided for using the straight-line method over the expected useful life (ranges from 3 to 10 years) of the tangible capital asset, with a full year's amortization taken in the year of acquisition.

Tangible capital assets are accounted for as non-financial assets by The Conexus Arts Centre because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of The Conexus Arts Centre unless they are sold.

c) Inventories held for resale and inventories held for consumption

Inventories consist of food which is held for consumption and liquor which is held for resale. Resale inventory is valued at the lower of cost and net realizable value. Inventory held for consumption is valued at cost.

d) Use of estimates

These statements are prepared in conformity with Canadian public sector accounting standards. These standards require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Significant areas requiring the use of management estimates relates to the useful lives of assets for amortization periods.

e) Financial Instruments

The Conexus Arts Centre's financial instruments are comprised of cash and cash equivalents, accounts receivable, accounts payable and accrued charges, and advance sales and deposits. The carrying value of these financial instruments approximates their fair values as at March 31 due to their immediate or short-term nature.

f) Cash and Cash Equivalents

The Conexus Arts Centre's cash and cash equivalents consisted of $264,202 cash and a term deposit of $900,000 which will mature on April 1, 2016 and had an annual interest rate of 1%.

3. Financial Instrument Risks

The Conexus Arts Centre's financial risk relates primarily to credit risk from potential non-payment of accounts receivable. The maximum credit risk to which it is exposed at March 31, 2016 is limited to the carrying value of its accounts receivable. The allowance for doubtful accounts is $0 (2015-$0). Subsequent to the year-end, a significant amount of accounts receivable were collected reducing the credit risk. The Conexus Arts Centre's financial instruments do not have any significant interest rate risk or liquidity risk.

4. Tangible Capital Assets

	Convention & Theatre Equipment	Catering Equipment	Office Equipment	Building Equipment	Bar Equipment	2016 Total	2015 Total
Cost							
Balance, beg of year	$ 1,811,391	$ 536,055	$ 102,489	$ 1,334,251	$ 134,071	$ 3,918,257	$ 3,788,066
Additions	17,916	89,895	49,611	-	-	157,422	130,191
Disposals	(29,187)	-	(28,526)	(6,047)	-	(63,760)	-
Balance, end of year	1,800,120	625,950	123,574	1,328,204	134,071	4,011,919	3,918,257
Accumulated Amortization							
Balance ,beg of year	$ 1,160,829	$ 525,425	$ 102,489	$ 1,308,228	$ 134,071	$ 3,231,042	$ 3,069,275
Amortization expense	142,090	25,802	16,537	14,386	-	198,815	161,767
Disposals	(29,187)	-	(28,526)	(6,047)	-	(63,760)	-
Balance, end of year	1,273,732	551,227	90,500	1,316,567	134,071	3,366,097	3,231,042
Net book value, end of year	$ 526,388	$ 74,723	$ 33,074	$ 11,637	$ -	$ 645,822	$ 687,215

5. Building and Site

The building and site have been leased from the Ministry of Central Services (CS) to The Conexus Arts Centre for an annual rental of one dollar. The terms of the lease require The Conexus Arts Centre to keep the building, and all other property contained therein, in good repair and condition with the provision that any major maintenance, renovations and construction project costing in excess of $5,000 shall be the responsibility of CS. The current lease arrangement expired July 31, 2003. Until a new lease arrangement exists, the terms and conditions of the expired lease continue.

In addition, CS is responsible for charges by the Wascana Centre for services to the land and building as stipulated under *The Wascana Centre Act*.

6. Budget

These amounts represent the budget approved by The Conexus Arts Centre's Board of Directors on March 30, 2015.

7. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to The Conexus Arts Centre by virtue of common control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). Also, The Conexus Arts Centre is related to non-Crown enterprises that the Government jointly owns or significantly influences.

Routine operating transactions with related parties are recorded at the agreed upon rates and are settled on normal trade terms. The following table summarizes the significant routine related party transactions for the year.

	2016	2015
Accounts receivable	$ 72,845	$ 24,228
Accounts payable & accrued charges	103,511	50,626
Revenues	716,311	788,968
Expenses		
Utilities	363,542	378,535
Administration	14,111	12,250
Salaries and benefits	200,753	185,215

Other transactions and amounts due to and from related parties are described separately in the financial statements and the notes thereto.

The Conexus Arts Centre purchases all of its liquor through Saskatchewan Liquor and Gaming Authority. The Conexus Arts Centre collected and remitted Liquor Consumption Tax of $65,287 (2015-$53,638) to the Saskatchewan Ministry of Finance. In addition, The Conexus Arts Centre pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

8. Pension Plan

The Conexus Arts Centre participates in a defined contribution pension plan for the benefit of its employees. The Conexus Arts Centre's financial obligation to the plan is limited to making regular payments of 5% of employees' salaries (and 6% of International Association of Theatrical and Stage Employees permanent employees' salaries) for current service. The Conexus Arts Centre's annual pension expense for 2016 was $115,303 (2015 - $102,196).

9. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
SCHEDULE OF OTHER INCOME
For the Year ended March 31

	2016	2015
Office Rentals	$ 44,792	$ 48,267
Arts Board Rentals & Misc.	73,677	63,113
Sponsorships/Donations	55,333	56,333
Investment Income	9,678	31,227
Total Other Income:	$ 183,480	$ 198,940

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
SCHEDULE OF EXPENSES
For the Year ended March 31

Expenses:	Catering	Theatre	Rentals	Bar/Conc	Other	2016 Total	2015 Total
Administration	$ 262,391	$ 265,230	$ 90,021	$ 127,861	$ 28,759	$ 774,262	$1,003,707
Beverage Costs	-	-	-	195,832	-	195,832	175,798
Building Expense	172,987	650,793	45,499	66,682	16,150	952,111	993,759
Event Expenses	85,521	156,129	67,532	-	-	309,182	259,300
Food Costs	412,348	-	-	5,554	-	417,902	386,358
Salaries & Benefits	1,029,796	879,835	311,221	202,430	-	2,423,282	2,230,659
Misc.	19,126	39,331	15,949	18,061	-	92,467	39,167
Total Expenses	$ 1,982,169	$ 1,991,318	$ 530,222	$ 616,420	$ 44,909	$ 5,165,038	$5,088,748

WHERE TO OBTAIN ADDITIONAL INFORMATION

If you have any questions or comments about The Conexus Arts Centre Balanced Statement, or if you have specific questions about the programs and services provided by The Conexus Arts Centre please contact:

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